August 29, 2022

Via Electronic Mail: regs.comments@federalreserve.gov

Ms. Ann E. Misback
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Re: Proposed Rule: Regulation Implementing the Adjustable Interest Rate (LIBOR) Act (Docket No. R–1775, RIN 7100–AG34)

Dear Ms. Misback:

LSTA appreciates the opportunity provided by the Board of Governors of the Federal Reserve System (the "**Board**") to comment on its recently proposed rule, Regulation Implementing the Adjustable Interest Rate (LIBOR) Act[1] (the "**Proposed Rule**").

LSTA is a not-for-profit trade association that is made up of a broad and diverse membership involved in the origination, syndication, and trade of corporate loans. The 600-plus members of LSTA include commercial banks, investment banks, broker-dealers, hedge funds, mutual funds, insurance companies, fund managers, and other institutional lenders, as well as law firms, service providers, and vendors.[2]

I. Executive Summary

LSTA supports the Board's Proposed Rule, which would implement the LIBOR Act[3] by, among other things, "establish[ing] benchmark replacements for contracts governed by U.S. law that reference certain tenors of U.S. dollar LIBOR."[4] LSTA's members are among those financial institutions that have prepared for LIBOR cessation, yet are still parties to "existing contracts that reference USD LIBOR, will

[1] Regulation Implementing the Adjustable Interest Rate (LIBOR) Act, 87 Fed. Reg. 45,268 (proposed July 28, 2022) (to be codified at 12 C.F.R. pt. 253).

[2] LSTA undertakes a wide variety of activities to foster the development of policies and market practices designed to promote just and equitable marketplace principles and to encourage cooperation and coordination with firms facilitating transactions in loans. Since 1995, LSTA has developed standardized practices, procedures, and documentation to enhance market efficiency, transparency, and certainty. For more information, visit www.lsta.org.

[3] Adjustable Interest Rate (LIBOR) Act, Pub. L. No. 117-103, Div. U, 136 Stat. 49, 825-34 (2022) (codified at 12 U.S.C. §§ 5801-07) (the "LIBOR Act").

[4] 87 Fed. Reg. at 45,268.

not mature by June 30, 2023, and cannot be easily amended."[5] LSTA therefore shares the Board's interest in seeing that the rule the Board ultimately adopts (the "**Final Rule**") helps fulfill the purposes of the LIBOR Act, by

- "establish[ing] a clear and uniform process, on a nationwide basis, for replacing LIBOR in existing contracts the terms of which do not provide for the use of a clearly defined or practicable replacement benchmark rate . . . .";
- "preclud[ing] litigation related to existing contracts the terms of which do not provide for the use of a clearly defined or practicable replacement benchmark rate"; and
- "allow[ing] existing contracts that reference LIBOR but provide for the use of a clearly defined and practicable replacement rate, to operate according to their terms."[6]

To this end, LSTA has carefully reviewed the Proposed Rule, considered the Board's specific requests for comment, and consulted with its members regarding their questions and concerns related to the Proposed Rule. LSTA respectfully requests that the Board take the following steps to ensure the Final Rule more completely fulfills the purposes of the LIBOR Act (including by allowing existing contracts that include clearly defined and practicable replacement rates to operate according to their terms):

- Do not address the potential ambiguity that the Board identified related to the potential publication of synthetic LIBOR for certain LIBOR contracts; however, for the avoidance of doubt, clarifications about the implementation of certain provisions of the LIBOR Act if synthetic LIBOR is published would be helpful;
- Eliminate the distinction between "covered" and "non-covered" contracts that was introduced in the Proposed Rule;
- Clarify that "Eurodollar" (or similar concepts) should be treated as equivalent to "LIBOR" or "interbank lending or deposit rates" for purposes of interpreting the nullification provision in Section 104(b) of the LIBOR Act;
- Clarify that the definition of "determining person" is limited to an entity that has the sole authority to decide the replacement rate, and that an entity can qualify as a determining person even if its authority to select a replacement benchmark is contingent on future events; and
- Do not provide specific requirements regarding notification of benchmark replacements.

The comments below further describe the background for each of the issues that give rise to these recommendations, together with our reasons for the recommendations.

II. Potential Ambiguity Due to Synthetic LIBOR

Issue: The Board has requested comment on whether the Final Rule should address a potential ambiguity regarding the application to a subset of LIBOR contracts that contain fallback provisions

[5] 87 Fed. Reg. at 45,269.

[6] LIBOR Act § 102(b)(1)-(3).

that lack an express non-representativeness trigger, perhaps by indicating that those contracts' fallback provisions would be triggered on the LIBOR replacement date.

As described by the Board, this issue arises from the possibility that "on and after the LIBOR replacement date, IBA (or any successor administrator) may continue to publish a synthetic version of LIBOR that, although called 'LIBOR,' has been expressly pronounced by the FCA as not representative of the underlying market and economic reality LIBOR had been intended to measure."[7] The Board has recognized that the publication of synthetic LIBOR could give rise to "potential ambiguity" for LIBOR contracts that "are triggered only when LIBOR is unavailable" but that are "not triggered expressly when LIBOR is available but non-representative."[8] Potentially affected contracts with such triggers can be divided into two subcategories: (1) contracts that may or may not authorize a determining person to select a benchmark replacement, but in each case identify a clear and practicable benchmark replacement, such as the prime rate or the effective Federal Funds Rate (which we refer to as "**Specified Non-LIBOR Fallback Contracts**") and (2) contracts that do not identify a clear and practicable benchmark replacement, but instead solely "authorize a determining person to select a benchmark replacement"[9] (which we refer to as "**104(c) Contracts**"). If synthetic LIBOR is published after June 30, 2023, LIBOR could potentially be considered "available" and therefore remain in use under certain of these contracts, depending on the specific terms of each contract and the interpretation thereof.

To resolve the potential ambiguity, the Board is considering specifying in the Final Rule that, for non-covered contracts (except where the parties agree in writing that the LIBOR Act will not apply), the contractual replacement mechanism will take effect on the LIBOR replacement date if the contract does not require earlier implementation.[10] The result would be to obviate the question of whether publication of synthetic LIBOR would affect the "availability" of LIBOR and trigger the benchmark replacement mechanism for each affected contract upon the LIBOR replacement date.

> **LSTA's Recommendation:** The Final Rule should not address this potential ambiguity in the manner suggested in the Proposed Rule, because doing so would apply certain provisions of the LIBOR Act to Specified Non-LIBOR Fallback Contracts that may currently be outside the scope of relevant provisions of the LIBOR Act. However, for the avoidance of doubt, it would be helpful to clarify that certain provisions of the LIBOR Act would be applicable to 104(c) Contracts if synthetic LIBOR were published as set forth in more detail below.

As the Board has highlighted, one of the purposes of the LIBOR Act was "to allow existing contracts that reference LIBOR but provide for the use of a clearly defined and practicable replacement rate, to operate according to their terms."[11] As non-LIBOR replacement rates in Specified Non-LIBOR Fallback Contracts may be "clearly defined and practicable," the Board should let the contracts "operate according

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[7] 87 Fed. Reg. at 45,272.

[8] *Id.*

[9] *Id.*

[10] *Id.* at 45,273.

[11] *Id.*; LIBOR Act § 102(b)(3).

to their terms," subject to the effects of the LIBOR Act. As recognized by the Board, this "particular situation is not expressly addressed by the LIBOR Act."[12] The introduction of a rule that would broadly result in a transition to a clear and practicable benchmark replacement on the LIBOR replacement date, even if synthetic LIBOR is available, could create additional risk, ambiguity, and disruption in the business loan markets.[13]

However, 104(c) Contracts are clearly in-scope for certain provisions of the LIBOR Act. The LIBOR Act permits a determining person to choose the Board-selected benchmark replacement as long as the selection is "made by the earlier of the LIBOR replacement date and the latest date for selecting a benchmark replacement according to the terms of the LIBOR contract"[14] and such selection shall be "used in any determinations of the benchmark under or with respect to the LIBOR contract occurring on and after the LIBOR replacement date."[15] If, on the other hand, the "determining person does not select a benchmark replacement" by the relevant date, the Board-selected benchmark replacement will replace LIBOR on the LIBOR replacement date[16] (expected to be the first London banking day after June 30, 2023). Importantly, none of the provisions of Section 104(c)(1), (2) or (3) of the LIBOR Act are dependent upon the contractual terms of the underlying LIBOR contract (including whether any contractual benchmark replacement trigger thereunder had been met), only that such LIBOR contract have a "determining person," subject to the limitation that this provision not be constructed to alter or impair any LIBOR contract with fallback provisions that identify a non-LIBOR benchmark replacement.[17] Further, the automatic transition to the Board-selected benchmark replacement pursuant to Section 104(c)(3) is not dependent on *why* the determining person has not selected a benchmark replacement by the relevant date, merely on *whether* a benchmark replacement was selected by such date. This is consistent with the goal of parties knowing, on or before June 30, 2023, what benchmark rates their contracts will use.

Although the effect of Section 104(c) on 104(c) Contracts should be apparent based upon the plain language of the LIBOR Act, it would be helpful to assuage any lingering confusion for the Board, for the avoidance of doubt, to clearly state that:

a. Section 104(c)(1) and (2) allow a determining person under any LIBOR contract that is not out-of-scope pursuant to Section 104(f)(2) to select the Board-selected benchmark replacement as the benchmark replacement, which will be used in any determinations on and after the LIBOR replacement date, regardless of whether a synthetic LIBOR is published on such date; and

b. Section 104(c)(3) would automatically cause the Board-selected benchmark replacement to be the benchmark replacement for any such contract where a determining person has not selected a benchmark replacement on and after the LIBOR replacement date, regardless of whether a

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[12] 87 Fed. Reg. at 45,273.

[13] *See also infra* Part III (discussing issues arising from the introduction of the concepts "covered contract" and "non-covered contract").

[14] LIBOR Act § 104(c)(1)-(2).

[15] *Id.* § 104(c)(2)(C).

[16] *Id.* § 104(c)(3).

[17] *Id.* § 104(c)(1), (f)(2).

synthetic LIBOR is published on such date and regardless of the reason why a determining person has not so selected a benchmark replacement.

III. Covered and Non-Covered Contracts

Issue: Retention in the Final Rule of the concepts of "covered" and "non-covered" contracts included in the Proposed Rule.

The LIBOR Act was carefully designed to apply to certain types of LIBOR contracts in certain ways and to exclude other types of LIBOR contracts, depending on the language of each contract's fallback provision and decisions made by a determining person. After disregarding fallback provisions that depend on LIBOR or require polling or similar methods to provide missing LIBOR values,[18] inclusion of certain fallback provisions or the lack of any fallback provision cause the Board-selected benchmark replacement to become applicable by operation of law.[19] As discussed above, for certain LIBOR contracts that contain fallback provisions that identify a determining person, the LIBOR Act will apply if the determining person selects the Board-selected benchmark replacement,[20] and the Board-selected benchmark replacement will apply by operation of law if the determining person does not select a benchmark replacement by the LIBOR replacement date.[21] On the other hand, the LIBOR Act does not "alter or impair" certain other LIBOR contracts, including those for which the parties have "opted out" of the LIBOR Act,[22] and "any LIBOR contract that contains fallback provisions that identify a benchmark replacement that is not based in any way on any LIBOR value (including the prime rate or the effective Federal funds rate)."[23]

The Proposed Rule divides all LIBOR contracts into two categories, "covered contracts" and "non-covered contracts,"[24] and then sets broad rules about application of certain provisions of the LIBOR Act to such contracts.

LSTA's Recommendation: The Final Rule should not retain the distinction between "covered" and "non-covered" contracts, because these concepts in the Proposed Rule are unnecessary and confusing.

The Board has led the global markets in the transition away from USD LIBOR. A fundamental policy goal for the LIBOR transition is to minimize uncertainty and the risk of dispute or litigation when LIBOR ceases or is no longer representative. The LIBOR Act promotes that policy by providing that, by the LIBOR replacement date, parties to LIBOR contracts within scope either transition to the Board-selected

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18 *Id.* § 104(b).

19 *Id.* § 104(a).

20 *Id.* § 104(c)(1), (2).

21 *Id.* § 104(c)(3).

22 *Id.* § 104(f)(1).

23 *Id.* § 104(f)(2).

24 87 Fed. Reg. at 45,280, § 253.3(a), (b).

benchmark replacement automatically,[25] or know what replacement rate the determining person has selected.[26]

The Board has noted that "[a]lthough section 110 of the LIBOR Act directs the Board to promulgate regulations to carry out the Act, the Board's discretion under the Act is limited to (i) selecting SOFR-based benchmark replacements and adjusting them to include the statutorily prescribed tenor spread adjustment (and, if applicable, transition tenor spread adjustment), (ii) determining any benchmark replacement conforming changes, and (iii) determining the LIBOR replacement date (in the event that any LIBOR tenor ceases or becomes nonrepresentative prior to the planned LIBOR cessation date)."[27] The Board has also explained that "[g]iven its limited discretion, [it] was unable to consider alternatives to the proposed rule that would be significantly different from the statutory scheme of the LIBOR Act."[28] It therefore declared that the regulation would "implement[] the statute by defining terms used in the statute and establishing Board-selected benchmark replacements for LIBOR contracts."[29]

The Proposed Rule separates LIBOR contracts into "covered contracts" and "non-covered contracts"—categories that are not within the text of the LIBOR Act and may not align with the scope or purpose of the LIBOR Act in all instances. The Proposed Rule uses these categories to establish a general premise that "this regulation does not affect" non-covered contracts.[30] However, that same section also recognizes that the broad definitions of covered versus non-covered contracts do not work for the primary purpose of the Proposed Rule, which is for the Board to determine the Board-selected benchmark replacement that will apply to various types of LIBOR contracts.[31] Not only are these defined terms inconsistent with the applicability of the LIBOR Act to LIBOR contracts, in some cases they could result in the Final Rule contradicting a fundamental policy of the LIBOR Act. For example, the broad definition of non-covered contracts could be seen as contradicting the fundamental policy of the LIBOR Act if the Final Rule (and, by extension, the LIBOR Act) excludes contracts for which the determining person made the selection of the Board-selected benchmark replacement before the LIBOR replacement date.

Further, the grouping of contracts into "covered contracts" and "non-covered contracts" creates ripple effects throughout the Proposed Rule based upon whether a contract has a "determining person," which makes analysis of whether a person is a "determining person" much more impactful. The result of such categorization can materially affect the implementation of the Proposed Rule in ways that could create ambiguity, uncertainty, and unexpected results.

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[25] LIBOR Act § 104(a).

[26] *Id.* § 104(c).

[27] 87 Fed. Reg. at 45,278.

[28] *Id.*

[29] *Id.* at 45,279, § 253.1(b).

[30] *Id.* at 45,280, § 253.3 (b)(1).

[31] *Id.* at 45,280, § 253.3 (b)(2) ("Notwithstanding paragraph (b)(1), a determining person may select the Board-selected benchmark replacement specified in § 253.4 of this rule as the benchmark replacement for a LIBOR contract.").

The categorization of some contracts as "non-covered" has many other consequences throughout the Proposed Rule, including some that seem wrong and even contrary to the purpose of the LIBOR Act. We provide the following by way of non-exhaustive example:

- A "non-covered contract" includes a contract for which a determining person selects a benchmark replacement prior to the LIBOR replacement date, even if that selection is the Board-selected benchmark replacement.[32] Under the LIBOR Act, such a contract is entitled to the protections and benefits set forth therein.[33]

- A LIBOR contract for which the parties have opted out of the LIBOR Act is a "non-covered contract."[34] Such a contract is outside the scope of the LIBOR Act,[35] but the Proposed Rule allows determining persons even of "non-covered contracts" to choose the Board-selected benchmark replacement.[36]

- In the request for comments, the Board asks whether benchmark replacement conforming changes should be available for "covered contracts."[37] Clearly benchmark replacement conforming changes are equally relevant where the determining person chooses the Board-selected benchmark replacement.

- The Board acknowledges that there are two types of contracts with a determining person: (1) where the determining person has chosen the replacement before the LIBOR replacement date and (2) where it has not.[38] It also acknowledges that both need the protections of the LIBOR Act, such as benchmark rate conforming changes,[39] but the Proposed Rule does not give the same protections to the second type except to allow the determining person to choose the Board-selected benchmark replacement. For example, all "non-covered contracts" are carved out of the definitions of covered GSE contracts and derivative transactions.[40]

- The Proposed Rule provides that "if the Board-selected benchmark replacement is not published on the day indicated in the covered contract, the most recently available publication should be used."[41] This provision should also apply to certain non-covered contracts.

[32] *Id.* at 45,280, § 253.3(a), (b)(1).

[33] *E.g.*, LIBOR Act § 105(c).

[34] 87 Fed. Reg. at 45,280, § 253.3(a)(2)(iii).

[35] LIBOR Act § 104(f)(1).

[36] 87 Fed. Reg. at 45,280, § 253.3 (b)(2).

[37] *Id.* at 45,277.

[38] *Id.* at 45,270.

[39] *Id.* at 45,270-71.

[40] *Id.* at 45,279-80, § 253.2.

[41] *Id.* at 45,281, § 253.4(d).

- The discussion in the Board's proposal about the compliance impact of the Proposed Rule[42] is equally relevant to non-covered contracts.

In summary, the current definitions of covered and non-covered contracts are unnecessary and confusing. Section 253.3 of the Proposed Rule essentially restates (in our view, unnecessarily) certain provisions of Section 104 of the LIBOR Act, but then adds an overlay of covered versus non-covered contracts. These definitions have already raised questions about fundamental aspects of the LIBOR Act, most importantly the scope of the safe harbor.

In order to eliminate such ambiguity and consequences, these categories and definitions should be deleted from the Final Rule.

IV. Treatment of "Eurodollar" and Similar Concepts

Issue: The Board has requested comment on whether the Final Rule should clarify that the terms "Eurodollar" (and similar concepts) and "LIBOR" or "interbank lending or deposit rates" are interchangeable for purposes of the nullification provision of the LIBOR Act, which eliminates (1) references in fallback provisions to LIBOR-based benchmark replacements and (2) requirements to poll, survey, or inquire to fill in missing LIBOR rates.

The LIBOR Act was designed to address certain standard fallback provisions in the market that will not be practicable after LIBOR is discontinued. Specifically, the LIBOR Act provides that the Board-selected benchmark replacement will be applied to any LIBOR contract that either (1) does not have a fallback provision, or (2) has a fallback provision, but the provision does not identify a specific benchmark replacement or a determining person.[43] However, the sufficiency of each contract's fallback provision is only evaluated after disregarding (a) any "benchmark replacement that is based in any way on any LIBOR value, except to account for the difference between LIBOR and the benchmark replacement" and (b) any "requirement that a person . . . conduct a poll, survey, or inquiries for quotes or information concerning interbank lending or deposit rates."[44] Because neither the LIBOR Act nor the Proposed Rule expressly specifies whether the nullification provision applies equally to contracts that reference "Eurodollar" rates instead of "LIBOR" or "interbank lending or deposit rates," the Board seeks comments on whether the Final Rule should clarify that references to "Eurodollar" rates are equivalent for purposes of this provision.[45]

LSTA's Recommendation: The Board should clarify that the nullification provision applies equally to contracts that reference either "Eurodollar" (or similar concepts) or "LIBOR" or "interbank lending or deposit rates."

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[42] *Id.* at 45,278.

[43] LIBOR Act § 104(a).

[44] *Id.* § 104(b).

[45] 87 Fed. Reg. at 45,277.

One of the purposes of the LIBOR Act is "to establish a clear and uniform process . . . for replacing LIBOR in existing contracts the terms of which do not provide for the use of a clearly defined or practicable replacement benchmark rate . . . ."[46] The nullification provisions help achieve that purpose because any fallback provision that depends on LIBOR, interbank lending or deposit rates, even if clearly defined, will not be practicable after LIBOR cessation. By nullifying fallback provisions that depend on such rates or practices, or that demand polling or similar methods to approximate LIBOR, the LIBOR Act treats contracts with impracticable fallback provisions the same as contracts that have no fallback provisions.

Clarifying that "Eurodollar" (and similar concepts) and "LIBOR" or "interbank lending or deposit rates" are interchangeable for purposes of the nullification provision is important because loan industry practice generally has been to use these concepts interchangeably. Thus, any fallback provision that depends on a Eurodollar or similar rate, or that requires polling, surveys, or inquiries for quotes or information concerning Eurodollar or similar rates, after the discontinuation of LIBOR is as impracticable as a fallback provision that depends on LIBOR. The clarification would help ensure that LIBOR and Eurodollar continue to be treated interchangeably for purposes of LIBOR cessation and transition, consistent with the expectation of the business loan market participants.

V. "Determining Person" Definition

A. Sole Entity

Issue: Questions have been raised to the LSTA as to whether multiple, independent entities, acting together, could constitute a "determining person" for purposes of the LIBOR Act, or whether the term instead applies only when a sole legal entity has authority to select a benchmark replacement.

There exist wide variations in how a benchmark replacement is chosen for different LIBOR contracts in the business loan market. The LIBOR Act and the Proposed Rule both define "determining person" as "any person with the authority, right, or obligation . . . to determine a benchmark replacement."[47] Although many contracts vest the authority to choose a benchmark replacement in a single legal entity, others require collaboration between various parties. For example, some bilateral contracts provide that the borrower and the lender must work together to select a benchmark replacement; and some syndicated facilities require collaboration between the borrower and the agent or a group of lenders. Indeed, it could be argued that almost all contracts allow some group of parties to choose a benchmark replacement, as almost any contract could be amended to replace LIBOR with sufficient consent of the parties thereto.

LSTA's Recommendation: The Board should clarify that "determining person," as utilized in the LIBOR Act and the Proposed Rule, refers only to an entity that has the sole authority to decide the replacement rate.

Clarity is requested on this point because of the pivotal role that having a determining person for a contract can have on how the contract is treated under the LIBOR Act and will be treated under the Final Rule.

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[46] LIBOR Act § 102(b)(1).

[47] *Id.* § 103(10); 87 Fed. Reg. at 45,280, § 253.2.

Specifically, the existence, or non-existence, of a "determining person" determines whether a LIBOR contract is subject to automatic transition to the Board-selected benchmark replacement.[48] It also determines whether the LIBOR Act expressly authorizes selection of the Board-selected benchmark replacement, the requirements for making such a selection, and the implications of not selecting a benchmark replacement by the LIBOR replacement date.[49] The potential interpretation of determining person as multiple parties could cause uncertainty and confusion in the business loan market, and could result in unintended and unexpected consequences, particularly if the "covered contract" versus "non-covered contract" construct in the Proposed Rule is retained.[50]

B. Authority Not Contingent

Issue: Questions have also been raised to the LSTA as to whether an entity can qualify as a determining person if the authority to select a replacement benchmark is contingent on a future event.

As discussed above, whether or not a LIBOR contract's fallback provisions contain a "determining person" is fundamental to the impact of the LIBOR Act and the Final Rule in a variety of scenarios. Any ambiguity as to whether a determining person exists for a LIBOR contract will lead to resulting ambiguity on outcomes for many LIBOR contracts. The LIBOR Act and the Proposed Rule both define "determining person" as "any person with the authority, right, or obligation, including on a temporary basis (as identified by the LIBOR contract or by the governing law of the LIBOR contract, as appropriate) to determine a benchmark replacement."[51]

> **LSTA's Recommendation:** The Final Rule should clarify, for the avoidance of doubt, that a person with the authority, right, or obligation to determine a benchmark replacement is a "determining person," regardless of whether such authority, right, or obligation vests at a future time or is subject to any contingencies that may not have been met prior to the time by which the LIBOR Act requires the determining person to make a selection.

An interpretation that a LIBOR contract contains a "determining person" only when the selecting person's authority has currently vested could undercut key provisions of the LIBOR Act designed to allow, or require, certain LIBOR contracts to transition to the Board-selected replacement rate upon the LIBOR replacement date. Any ambiguity as to whether a LIBOR contract contains a "determining person," no matter how strained, should be eliminated in order to align with the purpose of the LIBOR Act and business loan market expectations, and minimize additional complexity and uncertainty.

VI. Notice Requirements

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[48] LIBOR Act § 104(a)(2)(B).

[49] *Id.* § 104(c).

[50] *See supra* Part III.

[51] LIBOR Act § 103(10); 87 Fed. Reg. at 45,280, § 253.2.

Issue: The Board has requested comment on whether the Final Rule should require a determining person to provide notice to one or more parties concerning selection of a benchmark replacement and, if so, what specific notification requirements would be appropriate.[52]

LSTA's Recommendation: The Final Rule should not provide specific requirements about notification of benchmark replacements.

The imposition of specific rules regarding notification could result in significant operational burden for business loan market participants. The appropriate form, timing, method of delivery, and substance of notifications can vary significantly for different markets, subsets of markets, counterparties, and institutions. Appropriate notice for one market may not constitute customary or appropriate notice for another market. It is better for determining persons to provide notices consistent with requirements under their contracts, applicable laws, rules or regulations, standard operating procedures of such person, customary market practice, and other industry recommended best practices, as applicable.

VII. Conclusion

We again thank the Board for the opportunity to submit these comments. LSTA believes that by adopting the recommendations outlined above, the Board will be able to add clarity to the LIBOR transition process and more fully accomplish the purposes of the LIBOR Act.

We would be happy to discuss these comments and answer any questions. Please contact Meredith Coffey at or Tess Virmani at (212) 880-3006.

Sincerely,

Meredith W. Coffey

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[52] 87 Fed. Reg. at 45,277.